



Advanced Rural Communications Consortium

Comments on Dockets ET 00-258, IB 99-81, RM-9911, RM-9498, and RM-10024

To: The Commission

The Advanced Rural Communications Consortium is a group comprised of local, regional and advanced telecommunications service providers in rural or underserved markets and sponsoring companies who provide hardware, software, and services to ILECs, CLECs, ISPs and CATV companies. Many of our member Local Exchange Carriers have a significant interest in providing local wireless services to their subscribers and to potential new subscribers in underserved markets. While some national wireless plans are available in these markets, all of these plans are alike and there are no real alternatives to those traditional plans. Our members would like to offer the alternative of around town mobility priced as a feature to wired service and, in many cases, coupled to their subscribers existing lines and using their subscribers existing numbers. Many of our members have made attempts to gain access to PCS spectrum in their local markets but have found this to be virtually impossible. In recent auctions, prices for licenses covering very large areas, including nearby larger cities, have been far too high to recover without serving the primary urban markets in the BTAs. On the other hand, the major carriers who could afford to pay the high prices for spectrum have little interest in serving our small communities, with the exception of those along interstate highways and even then only for roaming traffic. The result of this in our communities is that, while quiet spectrum in the PCS band is absolutely abundant in a technical sense, there is no spectrum available at all in a legal sense. The result of this is that the choices available to our populations are limited and the opportunity for our members, small local companies operating locally, to serve their constituents is unavailable to them. Now is the time for the Commission to act in a manner that benefits all consumers in all markets. By making spectrum available for use by local small businesses, independent telephone companies and telephone cooperatives who will actually build and operate new wireless networks with the sole purpose to provide advanced wireless communications in their markets to their customers.

Some of our members have approached license holders with proposals for partitioning spectrum. This approach has proven to be unattractive because national carriers ask local operators to use their licensed spectrum as part of an affiliate agreement. This type of agreement has not been attractive to our members as they want to offer unique services that are not available from the national carriers. The affiliate agreements carry requirements for ongoing fees and/or commissions and essentially force our members to look and act as the national carrier. Locally developed and tailored service offers are not allowed. These agreements have also been unattractive, as the revenue available to the local operator will not cover costs, even without considering the cost of spectrum.



The Founding Member of the Advanced Rural Communications Consortium became familiar with UTStarcom and their Mobile Local Loop solution from their extensive work in Asia as well as by observing some of their small wireless local loop deployments in the US. This solution is particularly attractive to our members as the equipment attaches to existing central office switches without requiring major investments. This allows our independent telephone company and telephone cooperative members to offer long range, around town cordless service to their subscribers as just another “feature” on their existing line or on a new line. As some of our members begin to offer broadband services, either over their cable systems or via DSL technologies, some of their subscribers have begun to disconnect additional POTS lines that were used for dial up Internet access. This solution allows them the ability to use their existing switching capacity to provide around town mobile service and results in improved financial health of our members as well as in new, innovative and advanced communications services for their subscribers. With this solution, some highly controversial features, such as wired to wireless number portability and TTY over digital wireless phones come for free. Adding location identification is simple in this system and can be done at very low cost, in contrast to the high end solutions which continue to contend for funding even in wealthy urban environments. Additionally, because the solution is very low powered and uses very small micro cells mounted on light poles or buildings, the local controversy generally associated with locating PCS or Cellular towers in a community are eliminated. As many of our members are integral members of their communities dedicated to enhancing the local quality of life, the ability to bring wireless service with “invisible” infrastructure makes the solution even more attractive.

In looking at the changes being considered in this proceeding, the Advanced Rural Communications Consortium believes that the first and simplest change is to adopt technical rules for the frequencies between 1915MHz and 1920MHz, where there seems to be very little contention, to allow the use of globally standard PHS type technology while keeping the concept of “coordination” to avoid potential interference problems and protect the investment in infrastructure. This is a simple solution and can be done almost immediately as it has been under review for several years. Making only the small rule change to allow use of standard technology, while maintaining other parts of the current rules, will also allow our members to pay into the microwave relocation pool based on the number of phones and cells they deploy instead of based on the current arbitrary rules that require cost sharing for microwave links outside of the frequency band being used. This will allow our members to offer a very attractive voice service using globally available standard, low cost technology. As we also have an interest in providing data service in our communities, it is unclear if 5MHz will be sufficient for full service. On the other hand, making the full 10MHz, between 1910MHz and 1920MHz available should provide sufficient spectrum for both voice and data. This would be most beneficial in rural markets where the many of our members have a strong local presence.



With respect to the question of possibly auctioning the spectrum from 1910MHz to 1915MHz, the Rural Consortium will support this if the area covered by an individual license were no bigger than a single county and if rules were established that would allow existing small rural independent telephone companies and rural telephone cooperatives to serve their markets with preferential treatment. Additional rules should be in place to prohibit entities from purchasing more than 10 licenses in different counties. Time limits for building out each licensed area should be set at a minimum of 50 percent coverage within 1 year and 80 percent coverage within 2 years. Strict rules should be in place to prohibit licensees from merely broadcasting signals to “hold” the license. The license should be auctioned as only the 5MHz unpaired spectrum of 1910MHz to 1915MHz, without the suggested 1990MHz to 1995MHz pairing to facilitate the deployment of highly efficient, low power TDD solutions and also to keep the cost of the spectrum low by not requiring bidders to pay for spectrum above 1990MHz that they would not use. We expect that this would also limit the impact to the current incumbents at 1990MHz to 1995MHz. We would additionally recommend a “local business” bidding credits that could be used only by companies with physical presence in an area. Our members could not, and still cannot, afford to bid for spectrum against Verizon, Cingular, Sprint, T-Mobile, and AT&T and unlike those large carriers, after paying for spectrum at auction would also be unlikely to just let it lie fallow.

The Advanced Rural Communications Consortium asks that the Commission expeditiously adopt rule changes, consistent with the recommendations of JSM Electronics, UTStarcom, UTAM, NEC, and other small phone companies, to allow low power operation of Community Wireless networks in the Unlicensed PCS Band while maintaining the coordinated nature of that band to reduce potential interference and to mitigate the potentially extreme costs associated with the microwave relocation pool in the licensed PCS bands.

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